

## Message Text

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ORIGIN IO-02

INFO OCT-01 ISO-00 SNM-01 /004 R

66611  
DRAETED BY: IO/HDC:LNCAVANAUGH:DD  
APPROVED BY: IO/HDC:EPNOZIGLIA  
S/NM:JDMCLAUGHLIN

----- 110998

R 041945Z NOV 74  
FM SECSTATE WASHDC  
TO USMISSION GENEVA

S E C R E T STATE 240551

FOLLOWING REPEAT STATE 240551 ACTION KATHMANDU INFO  
NEW DELHI 1 NOVEMBER.

QUOTE

S E C R E T STATE 240551

E.O. 11652: XGDS2

TAGS: SNAR, NP, IN

SUBJECT: NARCOTICS COUNTRY ASSESSMENT FOR NEPAL

NO FOREIGN DISSEMINATION

1. FOLLOWING IS TEXT OF AN INTELLIGENCE ASSESSMENT DESCRIB-  
ING THE NARCOTICS PROBLEM IN NEPAL. PAPER WAS PREPARED FOR  
USE DURING FY 1976 PROGRAM REVIEW. WE INVITE MISSION  
NARCOTICS COMMITTEE TO REVIEW THE ASSESSMENT AND CABLE ANY  
COMMENTS, CORRECTIONS OR SUGGESTIONS MISSION MAY HAVE.  
MISSION REPRESENTATIVE AT NEW DELHI REGIONAL NARCOTICS  
CONFERENCE MAY ALSO WISH DISCUSS ASSESSMENT WITH WASHINGTON  
REPS AT CONFERENCE.

2. BEGIN TEXT: SIGNIFICANCE: NEPAL IS NOT A SIGNIFICANT  
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OPIUM PRODUCER OR TRANSIT POINT, ALTHOUGH LIMITED AMOUNTS

CAN OCCUR. LIMITED NUMBERS OF OPIUM POPPY HAVE BEEN SEEN GROWING WILD BUT NONE UNDER CULTIVATION. THE VERY REAL NARCOTICS PROBLEM IN NEPAL STEMS FROM THE SUBSTANTIAL GROWTH OF CANNABIS, BOTH WILD AND CULTIVATED, WHICH IS LEGAL AND WHICH IS THE SOURCE OF HASHISH AND THE HIGHLY CONCENTRATED HASHISH OIL. SOME NEPALI HASHISH IS CONSUMED IN NEPAL, ESPECIALLY BY THE FOREIGN HIPPIE COMMUNITY THAT HAS BEEN ATTRACTED TO NEPAL BECAUSE OF THE GENERAL

LACK OF RESTRICTIONS ON DRUGS, BUT MOST OF IT IS SMUGGLED ACROSS THE OPEN 500-MILE-LONG BORDER WITH INDIA AND ON TO EUROPE AND THE US. THIS ILLICIT TRAFFIC, WHICH INCLUDES HASHISH AS WELL AS THE PROCESSED HASHISH OIL, IS REPORTED TO BE INCREASING. ALTHOUGH THE CULTIVATION OF CANNABIS HAS NOT YET BEEN BANNED IN NEPAL, THE EXPORT OF CANNABIS PRODUCTS HAS BEEN BANNED FOR SEVERAL YEARS. THERE ARE NO RELIABLE STATISTICS EITHER ON CULTIVATION OR TRAFFICKING IN NEPAL, BUT JUDGING FROM AMOUNTS THAT HAVE BEEN SEIZED OUTSIDE THE COUNTRY IN RECENT YEARS THE TRAFFIC IS PROBABLY CONSIDERABLE. ANY REALISTIC REGULATORY PROGRAM WOULD REQUIRE THE DEVELOPMENT OF AN EFFICIENT STAFF OF OFFICERS AS A CORPS OF NEPALI NARCOTICS CONTROL BODY AND A JOINT EFFORT BY NEPAL AND INDIA.

3. PROBLEM: APPROXIMATELY 34,000 NEPALESE FARMERS IN THE AREA BORDERING INDIA ARE REPORTED TO BE ENGAGED IN CULTIVATION OF THE INDIAN HEMP PLANT FROM WHICH THE LOCAL VARIETY OF HASHISH OR MARIJUANA IS PRODUCED. OTHERS IN THE WESTERN HILL COUNTRY ALSO GROW SOME HEMP. THE GOVERNMENT HAS ESTIMATED THAT IT WOULD LOSE \$6.5 MILLION ANNUALLY IF HEMP CULTIVATION IS BANNED. THE MAIN PROBLEM IN NEPAL IS THE LACK OF BASIC NARCOTICS CONTROL LEGISLATION ON WHICH A Viable NARCOTICS CONTROL EFFORT COULD BE BASED. A BILL, PATTERNED AFTER A UN DRAFT, WAS INTRODUCED IN THE NATIONAL ASSEMBLY (THE RASTRIYA PANCHAYAT) IN AUGUST 1974, BUT THE ASSEMBLY ADJOURNED WITHOUT HAVING PASSED IT. THE BILL WOULD HAVE BANNED THE CULTIVATION OF THE INDIAN HEMP PLANT AS WELL AS THE OPIUM POPPY, THE COCAS PLANT, AND THE MANUFACTURE OF PSYCHOTROPIC SUBSTANCES. THE BILL RAN INTO IMMEDIATE OPPOSITION, ESPECIALLY FROM REPRESENTATIVES OF THE POORER SECTIONS OF THE COUNTRY WHERE THE CULTIVATION OF HEMP AND THE PRODUCTION OF GANJA IS A MAJOR SOURCE OF INCOME. THE HEMP PLANT FIBER IS USED IN CLOTHES, RUGS, BAGS, AND MEDICINE. THE BILL PROVIDED WIDE AUTHORITY FOR LAW ENFORCEMENT RELATED TO NARCOTICS. ALTHOUGH THE PROPOSED LEGISLATION HAD MANY LOOPOLES, IT WOULD HAVE OFFERED AN IMPORTANT JURIDICAL BASIS FOR THE FUTURE DEVELOPMENT OF NARCOTICS CONTROL IN NEPAL, AND THE

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TATIVES OF THE POORER SECTIONS OF THE COUNTRY WHERE THE CULTIVATION OF HEMP AND THE PRODUCTION OF GANJA IS A MAJOR SOURCE OF INCOME. THE HEMP PLANT FIBER IS USED IN CLOTHES, RUGS, BAGS, AND MEDICINE. THE BILL PROVIDED WIDE AUTHORITY FOR LAW ENFORCEMENT RELATED TO NARCOTICS. ALTHOUGH THE PROPOSED LEGISLATION HAD MANY LOOPOLES, IT WOULD HAVE OFFERED AN IMPORTANT JURIDICAL BASIS FOR THE FUTURE DEVELOPMENT OF NARCOTICS CONTROL IN NEPAL, AND THE

GOVERNMENT HAS ASSURED THAT A REDRAFT OF THE BILL WILL BE INTRODUCED AT THE NEXT SESSION OF THE ASSEMBLY. THERE IS STRONG PRESSURE WITHIN THE GOVERNMENT NOT TO BAN THE CULTIVATION OF HEMP, AT LEAST NOT UNTIL SOME MEANS IS FOUND TO EASE THE RESULTANT ECONOMIC HARSHSHIP ON THE FARMERS. SOME NEPALI OFFICIALS REGARD THE QUESTION OF NARCOTICS CONTROL AS A QUESTION OF THE COUNTRY'S INTER-NATIONAL OBLIGATION, BUT EVEN THEY FEEL THAT FURTHER ACTION MUST BE ACCCOMPANIED BY A FOREIGN FINANCED CROP SUBSTITUTION PROGRAM. YET ANOTHER PROBLEM FACED BY THE

DRAFT NARCOTICS CONTROL LEGISLATION IS THE ALLEGED INVOLVEMENT IN DRUG TRAFFIC OF HIGH LEVEL NEPALESE GOVERNMENT OFFICIALS, SOME CLOSE TO THE ROYAL FAMILY. THERE ARE EVEN RUMORS THAT THE ROYAL FAMILY ITSELF IS, OR AT LEAST HAS BEEN, INVOLVED.

4. ASSESSMENT: THE GOVERNMENT OF NEPAL, INCLUDING KING BIRENDRA, CONTINUES TO AFFIRM ITS COMMITMENT TO EARLY PASSAGE OF THE BASIC NARCOTICS CONTROL LEGISLATION. THERE ARE INDICATIONS THAT HIS MAJESTY'S GOVERNMENT WILL REDRAFT THE BILL AND PRESENT IT TO THE NEXT SESSION OF THE NATIONAL ASSEMBLY. THE PROSPECT FOR EARLY PASSAGE, HOWEVER, APPEARS DIM, AT LEAST UNLESS THE KING PUTS ALL OF HIS POLITICAL WEIGHT BEHIND IT. ROYAL PRESSURE IN THE RIGHT PLACES WOULD HAVE ASSURED PASSAGE OF THE PREVIOUS BILL. THE KING IS REPORTED TO BE GENUINELY CONCERNED OVER THE IMPACT OF NARCOTICS CONTROL LEGISLATION ON HIS PEOPLE IN THE AFFECTED AREAS. THIS "CONCERN" MAY LAST UNTIL SUBSTANTIVE PROGRESS IS MADE TOWARD FINDING SUBSTITUTE CROPS FOR THE FARMERS AND SUBSTITUTE EMPLOYMENT FOR OTHERS ADVERSELY AFFECTED BY THE PROPOSED LEGISLATION. THERE ARE EVEN REPORTS FROM A KNOWLEDGEABLE SOURCE THAT

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THE GOVERNMENT HAS NO INTENTION OF PASSING THE DRUG CONTROL LEGISLATION UNTIL CROP SUBSTITUTION MEASURES HAVE BEEN ADOPTED AND RELATED ECONOMIC PROBLEMS IRONED OUT. IT REMAINS UNCLEAR WHETHER THIS INCLUDES THOSE GOVERNMENT OFFICIALS WHO HAVE FOUND GANJI CULTIVATION AND TRAFFIC LUCRATIVE. ALTHOUGH NEPALESE OFFICIALS WANT THE COUNTRY TO BE REGARDED AS A RESPONSIBLE MEMBER OF THE INTERNATIONAL COMMUNITY, THEY DO NOT WANT TO ACCEPT COMMITMENTS THAT WOULD BE UNDULY PAINFUL OR IMPOSSIBLE TO FULFILL.

AS A BUFFER STATE BETWEEN TWO LARGE COUNTRIES -INDIA AND CHINA--NEPAL HAS TRADITIONALLY DEVELOPED AN ELABORATE SYSTEM OF RESPONSES TO FOREIGN PRESSURE DESIGNED TO GIVE THE APPEARANCE OF COMPLYING WHILE AVOIDING ANY SUBSTANTIAL CONCESSION. UNLESS FOREIGN REPRESENTATIVES MOVE WITH

CAUTION, FINESSE, AND AN UNDERSTANDING OF NEPAL'S  
PERCEPTION OF THE INTERNATIONAL NARCOTICS PROBLEM, THE  
NEPALESE GOVERNMENT IS LIKELY TO REACT WITH COSMETIC  
RESPONSES RATHER THAN PURPOSEFUL ACTION.  
END TEXT. INGESOTL UNQUOTE

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## Message Attributes

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**Capture Date:** 01 JAN 1994  
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**Current Classification:** UNCLASSIFIED  
**Concepts:** TEXT, INTELLIGENCE COLLECTION, DRUG TRAFFIC  
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**Copy:** SINGLE  
**Draft Date:** 04 NOV 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** SmithRJ  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
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**Disposition Remarks:**  
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**Enclosure:** n/a  
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**Original Previous Classification:** n/a  
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**Page Count:** 4  
**Previous Channel Indicators:**  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** SmithRJ  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 18 JUN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <18 JUN 2002 by rowelle0>; APPROVED <25 MAR 2003 by SmithRJ>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NARCOTICS COUNTRY ASSESSMENT FOR NEPAL NO FOREIGN DISSEMINATION  
**TAGS:** SNAR, NP, IN  
**To:** GENEVA  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005